GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:2960
ANSWERED ON:22.03.2005
EXPORT PROMOTION
Saradgi Shri Iqbal Ahmed

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government is promising more exporters friendly policies to play a crucial role in stepping up India`s overall growth rate;

(b) if so, whether exporters led growth could help create 25 million jobs in the manufacturing sector by 2015;

(c) the details pertaining to the special economic zone share in total exports of India for last three years and till date; and

(d) the initiative taken by the Government to promote the special economic zones export?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN)

(a): Recognizing that the primary purpose of trade is stimulation of greater economic activity, the Foreign Trade Policy (FTP) announced on 31st August, 2004 has laid down the roadmap to step up the overall growth rate of exports. The strategy, inter-alia, focuses on unshackling of controls, simplifying procedures, bringing down transaction cost and neutralizing incidence of all levies and duties on the inputs used in the export products.

(b): Additional employment is expected to be generated as a result of export led growth. With a view to expanding employment opportunities, certain special focus initiatives have been identified in the FTP for labour intensive sectors such as agriculture, handlooms, handicrafts, gems & jewellery and leather.

(c): The value of exports by the Special Economic Zones (SEZs) and their share in total exports is as under :

Year	Exports by the SEZs(Rs. Crore)	% share in total
2001-02	9,189.55	4.40
2002-03	10,056.62	3.94
2003-04	13,853.58	4.72
April-Jan., 2004-05 (P)	14,440.16	5.26

(d): Some of the initiatives taken by the Government to promote SEZs and exports from SEZs include 100% foreign direct investment in the manufacturing sector through automatic route, duty free import/domestic procurement of goods for development, operation and maintenance of SEZs and SEZ units, tax exemptions for SEZ developers, SEZ units, off-shore banking units set up in SEZs, etc. Supplies from Domestic Tariff Area to SEZ units are treated at par with physical exports and are exempted from service tax and central sales tax.